

MINUTES OF COUNCIL MEETING
MAY 10, 2007
6:30 P.M.

The Murray City Council met in regular session on Thursday, May 10, 2007, at 6:30 p.m. in the Council Chambers of City Hall, with Mayor Rushing presiding.

Council Members Present: Danny Hudspeth, Jason Pittman, Pete Lancaster, Jeremy Bell, Dan Miller, Linda Cherry, Robert Billington, David Ramey, Jane Brandon, Butch Seargent, Pat Scott, and Bill Wells.

Council Members Absent: None.

Staff Present: Ken Claud, Michael Skinner, J. L. Barnett, Don Rogers, Thomas Clendenen, David Roberts, Candace Dowdy, Philip Morris, Dennis Thompson, Carol Roberts, Matt Mattingly, Gail Mullins, Harla McClure, and Warren Hopkins.

Minutes of the council meeting held April 26, 2007, were presented for approval. **Mr. Billington moved, seconded by Mr. Hudspeth**, to approve the minutes as written. With no discussion, Mayor Rushing called for a voice vote, which was unanimous in favor of the motion.

Mayor Rushing recognized Chief Ken Claud. Chief Claud stated that it is a very proud occasion for the Murray Police Department and introduced Michael Bischoff, Executive Director of the Kentucky Association of Chiefs of Police. Mr. Bischoff stated that this program is the greatest program that ever occurred to law enforcement. He said it is the most cost effective progressive way to achieve professionalism within an agency. He stated that any agency applying for accreditation has to meet 157 standards. All of the policies and procedures have to be in writing and provided to the assessment teams to verify that all the standards are being documented and all the high liability issues within the department and in the profession have to be addressed. He stated the innovation within the department was remarkable and the reward is not given lightly it has to be earned. He then presented the Certificate of Accreditation to Chief Claud.

Ordinance Number 2007-1440 (second reading) an ordinance amending Ordinance Number 2006-1412 which adopted the 2006-2007 City of Murray, Kentucky annual budget to redirect a capital expenditure allocation in the amount of \$6300 for the police department from barcode scanners to light bars for police vehicles was presented to the council on a second reading. **Mr. Bell moved, seconded by Mr. Pittman** to adopt said ordinance. With no discussion, Mayor Rushing called for the roll call vote which is recorded as follows:

AYES: Danny Hudspeth, Pete Lancaster, Jason Pittman, Jeremy Bell, Dan Miller, Jane Brandon, Linda Cherry, Robert Billington, David Ramey, Butch Seargent, Pat Scott, and Bill Wells.

NAYS: None.

Mayor Rushing declared Ordinance Number 2006-1440 adopted and recorded in Ordinance Book Number 7, Page _____.

Ordinance Number 2007-1441 (first reading) an ordinance zoning as R-2 (single family residential) property located at 1641 Wiswell Road West and owned by The Grove of Murray, LLC was presented to the council for a first reading. This 16.050 ace tract of land received said recommendation based on the following findings of fact: 1) the proposed zoning is in line with the future land use map; 2) the adjacent property to the east and west is in the city limits and zoned R-2; 3) the property owner requested R-2 zoning as the property is used for single family residential living. **Mr. Lancaster moved, seconded by Mr. Billington** to approve said ordinance.

With no discussion, Mayor Rushing called for the roll call vote which is recorded as follows:

AYES: Danny Hudspeth, Pete Lancaster, Jason Pittman, Jeremy Bell, Dan Miller, Jane Brandon, Linda Cherry, Robert Billington, David Ramey, Butch Seargent, Pat Scott, and Bill Wells.

NAYS: None.

Mayor Rushing declared said ordinance approved on a first reading.

Resolution Number 2007-008 a resolution authorizing the purchase of natural gas from Tennergy Corporation; approving the execution and delivery of a natural gas supply agreement and other documents relating to said purchase; approving certain documents relating to the issuance of bonds by Tennergy Corporation to procure gas supplies and approving certain contracts and agreements relating thereto; and consenting to the assignment of certain obligations under the natural gas supply agreement in connection with the issuance of said bonds was presented to the council for approval. **Mr. Billington moved, seconded by Dr. Miller** to approve said Resolution.

Mr. Billington requested that Don Leet and Jeff Becker, a representative from Tennergy Corporation, provide additional information to the council regarding the City of Murray natural gas supply. Mr. Leet said the public works committee discussed a prepaid discount on issuing bonds to purchase natural gas. The City of Murray has been in two projects in the past with Tennergy. One was in 2000 and renewed another one in 2005. He stated that tonight's discussion was to make changes to the current project and also discussing forward looking opportunities. Mr. Becker stated Tennergy has a 2007 project where Prior Energy, who is owned by BP, approached them and had customers who they managed gas supplies for that were interested in a prepaid project. Mr. Becker stated that Tennergy looked at their volumes and determined that it was a viable project. He stated the twist was that Prior Energy's customers wanted to do the project for 20 years and BP wanted to be the physical supplier. The importance

of that is that BP is the largest natural gas producer in North America and to do a 20 year project increases the City's economics in a prepaid deal just because of time value of money. He stated that Tennergy had customers in the 2006 project that did this new project for just 10 years. He stated that there was an opportunity for Tennergy's existing customers to take advantage of the back 10 years. He stated that the 20 year discount was 63 cents and they felt like it was a real good opportunity for their customers. He stated the reason BP is interested in this type of project is because it gives them a source of gas that they know for the next 20 years they have gas going to. Mr. Becker stated BP realized the value of this project and committing this gas for a 20 year period.

With no further discussion, Mayor Rushing called for the roll call vote which is recorded as follows:

AYES: Danny Hudspeth, Pete Lancaster, Jason Pittman, Jeremy Bell, Dan Miller, Jane Brandon, Linda Cherry, Robert Billington, David Ramey, Butch Seargent, Pat Scott, and Bill Wells.

NAYS: None.

Mayor Rushing stated the Resolution was adopted unanimously.

Mr. Billington moved, as unanimously recommended by the Public Works Committee, to increase the City's gas throughput 20% for years 1-10 of the project (it is currently at 80%) and to purchase 50% of the City's gas throughput for years 11-20 for the project. **Dr. Miller seconded the motion.** With no further discussion, Mayor Rushing called for the roll call vote which is recorded as follows:

AYES: Danny Hudspeth, Pete Lancaster, Jason Pittman, Jeremy Bell, Dan Miller, Jane Brandon, Linda Cherry, Robert Billington, David Ramey, Butch Seargent, Pat Scott, and Bill Wells.

NAYS: None.

Mayor Rushing declared said recommendation approved unanimously.

Municipal Order 2007-008 appointing Matt Jennings to the Code Enforcement Board for a three year term to expire May 10, 2010 was presented to the council for approval. **Mr. Billington moved, seconded by Mr. Bell** to approve said municipal order. With no discussion, Mayor Rushing called for the voice vote which was unanimous in favor of the motion.

Mayor Rushing recognized Pat Scott, Chairman of the Cemetery Committee and requested that he provide a report. Mr. Scott stated that he did not have a report tonight. He stated the committee convened to executive session and he would be able to provide until a later time.

Mayor Rushing recognized Dan Miller, Chairman of the Transportation Committee and requested that he provide a report. Dr. Miller stated the committee met to discuss areas of the City that residents would like to see work done. He stated that there are several projects that were brought up in the committee and will provide a more detailed report after the committee has a more concrete idea of the projects that can be done.

With no further business to come before the council, the meeting adjourned at 7:10 p.m.

H. Thomas Rushing, Mayor

Attest:

Harla McClure, City Clerk